

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF WEST LAUREL WATER) CASE NO. 2011-00457
ASSOCIATION)

O R D E R

On November 23, 2011, West Laurel Water Association (“West Laurel”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. West Laurel purchases water from Wood Creek Water District (“Wood Creek”).
2. On November 18, 2011, Wood Creek increased its wholesale water rate to West Laurel from \$2.32 per 1,000 gallons to \$2.92 per 1,000 gallons.²
3. West Laurel proposes to increase its rates for water service effective December 22, 2011.
4. During the 12 months ending October 31, 2011, West Laurel purchased a total of 359,299,800 gallons of water and sold 258,130,800 gallons. The increase in the cost of purchased water is \$215,579.88, resulting in a purchased water adjustment of \$0.84 per 1,000 gallons.

¹ KRS 278.012; 807 KAR 5:068.

² Case No. 2011-00209, Application of Wood Creek Water District for Approval of a Proposed Increase in Rates for Water Service (Ky. PSC Nov. 18, 2011).

5. The purchased water adjustment of \$0.84 per 1,000 gallons is fair, just, and reasonable and should be approved.

6. West Laurel's proposed rates are fair, just, and reasonable.

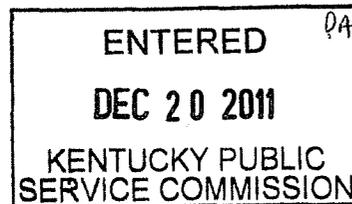
IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$0.84 per 1,000 gallons as calculated in Appendix A is approved.

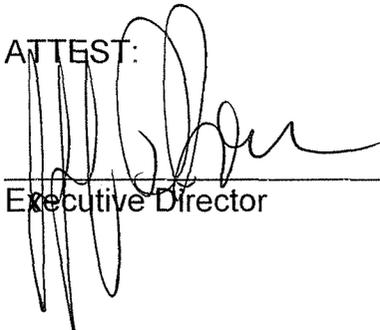
2. West Laurel's proposed rates, which are set forth in Appendix B, are approved for service rendered on or after December 22, 2011.

3. The tariff sheets filed by West Laurel are approved as filed.

By the Commission



ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00457 DATED **DEC 20 2011**

	New Rate	Base Rate
West Laurel Water		
Purchases in gallons	359,299,800	359,299,800
Volumetric rate	<u>\$ 2.92/1,000</u>	<u>\$ 2.32/1,000</u>
	\$1,049,155.42	\$ 833,575.54
		Increased water cost \$215,579.88
Increased water cost		\$ 215,579.88
Divided by gallons sold		<u>258,130,800</u>
Purchased water adjustment factor		\$0.84 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00457 DATED **DEC 20 2011**

The following rates and charges are prescribed for the customers in the area served by West Laurel Water Association. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8" X 3/4" Meter

First	1,000 Gallons	\$	11.74 Minimum Bill
Next	2,000 Gallons		6.87 Per 1,000 Gallons
Next	2,000 Gallons		6.51 Per 1,000 Gallons
Next	5,000 Gallons		6.06 Per 1,000 Gallons
Over	10,000 Gallons		4.89 Per 1,000 Gallons

1" Meter

First	5,000 Gallons	\$	38.50 Minimum Bill
Next	5,000 Gallons		6.06 Per 1,000 Gallons
Over	10,000 Gallons		4.89 Per 1,000 Gallons

2" Meter

First	20,000 Gallons	\$	117.70 Minimum Bill
Over	20,000 Gallons		4.89 Per 1,000 Gallons

3" Meter

First	30,000 Gallons	\$	166.60 Minimum Bill
Over	30,000 Gallons		4.89 Per 1,000 Gallons

Wholesale Rate

\$	4.46 Per 1,000 Gallons
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Mr. Otis Williams
President
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